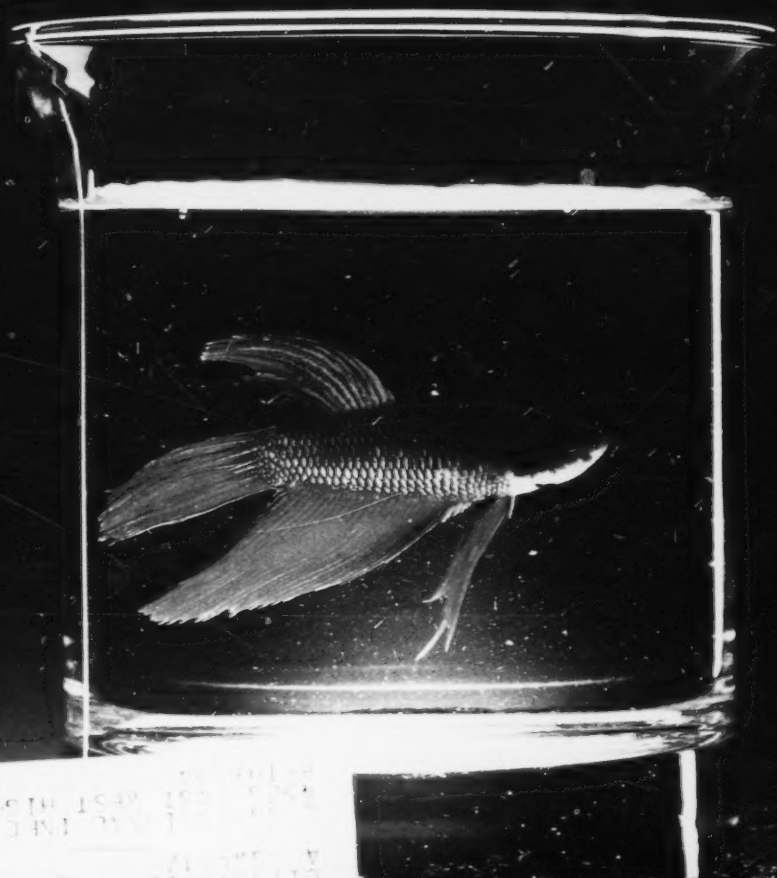


AMERICAN CITY & COUNTY

administration • engineering • operations

Is Our Drinking Water Safe?



Tax-exempt Bonds—A Vital Financing Tool

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June 1984

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About the Cover

Ground water contamination will be a major topic of discussion in Dallas when the American Water Works Association holds its annual convention and exposition June 10-14. The topic, of vital interest to public officials, is discussed in "Is Our Drinking Water Safe?" beginning on page 26. (Photograph by Jeff Licata.)

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MUNICIPAL COST INDEXES

The **Municipal Cost Index** rose 0.2 percent for the month to 329.7, due mainly to a 0.7 percent increase in the **Producer Price Index** for all commodities. Commodities with the highest increases in the *American City & County* listing included: diesel fuel, electric lamps, fuel oil no. 2, plumbing fixtures, portland cement, residual fuel and transformers.

The **Consumer Price Index** rose 0.2 percent for the

month, while the **ACC Construction Cost Index** remained steady at 360.7. However, F.W. Dodge reports that new construction contracts fell an adjusted 4 percent, reflecting declines in public works construction and home building. Another sign that slower economic growth lies ahead was a 1.1 percent drop in the U.S. Department of Commerce's leading indicators of future economic growth. □

Compiled by Jeff Atkinson

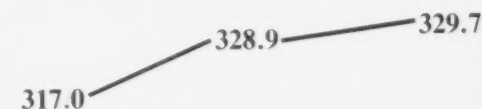
THIS MONTH'S MARKETBASKET

	Current Index	Percent Change From:	
		Last Month	Last Year
Air Conditioners	143.5	-0.1	1.3
Apparel	200.7	0.5	2.3
Asphalt Roofing	383.7	-1.7	2.4
Books	125.3	0.1	5.4
Chemicals, Industrial	346.0	2.4	2.1
Coal	546.0	0.5	1.4
Concrete Products	306.3	0	2.0
Construction Machinery	355.8	0	1.8
Diesel Fuel	734.1	3.5	4.7
Electric Components	190.7	0.3	5.8
Electric Lamps	341.5	2.8	12.0
Electric Power	427.1	0.6	3.8
Engines, I.C.	343.0	-0.4	0.8
Fans, Blowers	341.6	0.1	1.5
Fertilizers, Mixed	270.6	0.6	4.3
Floor Coverings	187.5	-0.1	3.0
Flow Instruments	100.2	-0.4	N/A
Footwear	253.3	0.7	2.1
Foundry Products	356.9	-0.1	1.6
Fuel Oil No. 2	788.2	2.7	11.6
Furniture, Commercial	296.4	0.9	4.0
Gasoline	568.7	0.9	-2.3
Generator Sets	337.9	0.1	4.6
Glass	229.7	-0.1	0
Glass Containers	351.7	0.2	-0.7
Gypsum Products	339.5	0	27.7
Hardware	293.2	0.1	1.7
Heating Equipment	248.8	0.2	3.2
HVAC Controls	121.8	0.2	-1.9
LP Gas	651.9	-2.9	-7.5
Lubricants	369.0	0.3	4.4
Lumber	369.2	1.0	N/A
Metal Fabrications	308.5	0.5	1.6
Millwork	309.7	0.4	1.9
Motor Vehicle Parts	352.5	-0.1	0.2
Mowers	256.0	-0.3	2.4
Natural Gas	1381.1	-2.3	-7.0
Office Machines	154.7	0.3	0.5
Paint	267.6	0.3	1.1
Paper	299.2	0.9	7.5
Passenger Cars	222.0	0	2.9
Plumbing Fixtures	299.9	1.0	5.0
Plywood	248.7	-0.3	4.1
Portland Cement	356.5	2.7	8.0
Pumps	347.5	0.3	-0.2
Residual Fuel	1161.1	2.1	13.0
Sand, Gravel	293.1	0.5	4.3
Sanitary Papers	361.0	0.2	-1.2
Soaps, Detergents	265.4	-0.9	2.4
Sporting Goods	206.7	0	1.1
Steel Mill Products	363.6	0	3.9
Struc. Clay Products	283.6	0.2	4.8
Switchgear	222.4	-0.1	-0.8
Tires, Tubes	242.3	-0.3	-1.7
Transformers	226.0	2.8	0.8
Trucks	326.4	-0.2	2.8
Valves	101.1	0.7	1.1
Wire, Cable	201.8	0	-1.7
Wiring Devices	348.4	0.6	4.7

At-A-Glance Changes

ACC MUNICIPAL COST INDEX

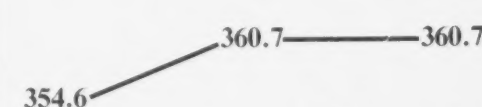
Last Year Last Month This Month



Percent Change From Last: Month 0.2 Year 4.0

ACC CONSTRUCTION COST INDEX

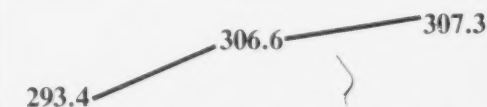
Last Year Last Month This Month



Percent Change From Last: Month 0.0 Year 1.7

CONSUMER PRICE INDEX (BLS)

Last Year Last Month This Month



Percent Change From Last: Month 0.2 Year 4.7

PRODUCER PRICE INDEX (BLS)

Last Year Last Month This Month



Percent Change From Last: Month 0.7 Year 3.5

QUARTERLY MUNICIPAL TRENDS

	Current Level	Percent Change From:	
		Last Qtr.	Last Year
Receipts	492.7B	2.9	11.3
Federal Grants	86.4B	-0.9	1.6
Durable Purchases	14.7B	1.3	7.3
Consumables	33.3B	2.5	5.4
Services	337.5B	1.8	7.6
Structures	40.5B	-3.1	-2.4
Salaries, Wages	247.2B	1.9	7.7
Surplus	55.5B	7.4	77.3
Employment	12.947M	-0.5	-0.4